and Navy during the armistice period, the cost of demobilisation, and the cost of putting an end to war munitions contracts running for many months ahead, holders of which will have to be compensated.

Who has enough assurance to venture on an estimate of the cost of these items ? Shall we guess them at something between £1000 and £1500 millions ? And when we have made this guess are we at the end of the war's cost ? Ought we not to include pensions to be paid, and if so, at what figure ? Fifty millions a year for thirty years ? If so, there is another £1500 millions. And interest on war debt, and for how long ?

On the other side of the balance-sheet, the only asset that has not yet been included in the calculation is the sum that we are going to receive from Germany. Some cheery optimists think that it is possible for us and for the Allies to make Germany *pay* the whole of our war cost. If so, we have halcyon days ahead, for not only shall we be able to repay the whole war debt but also to pay back to the taxpayer all the £1350 millions that he produced during the war, unless, as seems more likely, the Government finds other uses, or abuses, for the money, and sets its motley horde of wasters to work again. But this problem, of course, is not going to arise. It would not be physically possible for Germany to pay the whole of the Allies' war cost, except in the course of

many generations, and, moreover, the Allies have bound themselves not to make any such demand by the rider that they added to President Wilson's peace terms, in giving their assent to them as the